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Courage Marine Group Limited
(勇利航業集團有限公司)

(Incorporated in Bermuda with limited liability)

(Hong Kong Stock Code: 1145)

(Singapore Stock Code: E91.SI)

DISCLOSEABLE TRANSACTION
DISPOSAL OF VESSEL – M/V VALOUR

On 5 April 2012, Sea Valour, an indirect wholly-owned subsidiary of the Company, entered into the MOA with Regal Pacific in relation to the disposal of a vessel, MV Valour, for a total cash consideration of US\$5,071,130.40 (equivalent to approximately HK\$39,554,817.20).

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Regal Pacific and its ultimate beneficial owner(s) are third parties independent of the Company and connected persons of the Company.

Sea Valour, an indirect wholly-owned subsidiary of the Company, is a company incorporated in Panama with limited liability and is principally engaged in the provision of marine transportation services.

The Disposal constitutes a discloseable transaction of the Company under Rule 14.06(2) of the Listing Rules.

MOA

Date: 5 April 2012

Parties: (1) Vendor : Sea Valour Marine Corp.

(2) Purchaser : Regal Pacific Industries Limited

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Regal Pacific and its ultimate beneficial owner(s) are third parties independent of the Company and connected persons of the Company.

Asset to be disposed:

Pursuant to the MOA, Regal Pacific has agreed to acquire and Sea Valour has agreed to sell MV Valour which is a Panamax vessel with carrying capacity of approximately 67,000 dwt and beneficially owned by Sea Valour.

Consideration:

The total cash consideration for the Disposal is US\$5,071,130.40 (equivalent to approximately HK\$39,554,817.12) and shall be payable by Regal Pacific to Sea Valour in the following manner:

- (1) a deposit of 20% of the Consideration shall be lodged in bank account nominated by Sea Valour within 24 hours after signing of the MOA; and
- (2) the balance of the Consideration shall be paid to Sea Valour within 24 hours after the notice of readiness has been tendered by Sea Valour.

The Consideration was arrived at after arm's length negotiations between Regal Pacific and Sea Valour with reference to market intelligence the Company has gathered from its own analysis of recently concluded sale and purchase transactions of vessels of comparable size and year of build in the market. The Directors consider the terms and conditions of the Disposal to be fair and reasonable and are in the interests of the Group and the shareholders of the Company as a whole.

Delivery and Completion

MV Valour is to be delivered between 5 April 2012 and 15 April 2012 and Regal Pacific has an option to cancel the MOA if delivery of MV Valour shall not take place by 20 May 2012.

Completion will take place within 24 hours after receipt of the balance of the Consideration by Sea Valour, whereupon Sea Valour shall procure the physical delivery of MV Valour and documents relating to the Disposal to Regal Pacific. The Directors expect that the Completion and delivery of MV Valour will take place on or about 10 April 2012.

Upon Completion, the Group will not hold any interests in MV Valour.

INFORMATION ON REGAL PACIFIC

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Regal Pacific is a company incorporated in the British Virgin Islands with limited liability and is principally engaged in the business of scrapyard.

INFORMATION ON MV VALOUR

MV Valour is a Panamax vessel with carrying capacity of approximately 67,000 dwt. Its flag State is Panama and was inspected and classified by China Corporation Register of Shipping for purpose of safety classification society. It was acquired by the Group in 2005 at purchase cost of US\$11,900,000 (equivalent to approximately HK\$92,820,000). MV Valour is free from all encumbrances, mortgages, taxes, maritime liens and debts whatsoever.

According to the unaudited management accounts of Sea Valour, the unaudited net asset value of MV Valour as at 29 February 2012 was approximately US\$6,000,000 (equivalent to approximately HK\$46,800,000).

According to the audited accounts of the Group for the year ended 31 December 2011, the net loss (both before and after taxation and extraordinary items) attributable to MV Valour was approximately US\$1,678,000 (equivalent to approximately HK\$13,088,400).

According to the audited accounts of the Group for the year ended 31 December 2010, the net profit (both before and after taxation and extraordinary items) attributable to MV Valour was approximately US\$1,432,000 (equivalent to approximately HK\$11,169,600).

INFORMATION ON THE GROUP

The principal activity of the Company is that of an investment holding company and the principal activities of the Group are provision of marine transportation services, property holding, investment holding and provision of administration services.

REASONS FOR THE DISPOSAL

The Disposal is for demolition and this provides a good opportunity for the Group to generate cash which is intended to be used for general working capital and for funding any future acquisition of vessels when suitable opportunities arise.

The Directors believe that the terms of the MOA are entered into upon normal commercial terms following arm's length negotiations between the parties and the terms of the MOA are fair and reasonable and are in the interests of the shareholders of the Company as a whole.

The sale proceeds of the Disposal is US\$5,071,130.40 (equivalent to approximately HK\$39,554,817.12). The net proceeds of the Disposal of approximately US\$4,944,000 (equivalent to approximately HK\$38,563,200), after deducting the related expenses paid by the Company in a sum of approximately US\$127,130.4 (equivalent to approximately HK\$991,617.12), will be used for general working capital of the Group and if the right opportunity arises in future, such proceeds can also be used for the acquisition of further vessels.

FINANCIAL EFFECTS OF THE DISPOSAL

Subject to audit, it is estimated that the Group will record a loss on the Disposal of approximately US\$1,056,000 (equivalent to approximately HK\$8,236,800) for the year ending 31 December 2012, which will be reflected in the consolidated profit and loss account of the Group for the year ending 31 December 2012. The loss on the Disposal is calculated by the net proceeds of approximately US\$4,944,000 (equivalent to approximately HK\$38,563,200) arising from the Disposal less the book value of MV Valour of approximately US\$6,000,000 as at 29 February 2012 (equivalent to approximately HK\$46,800,000).

Apart from the loss on the Disposal to be reflected in the consolidated profit and loss account of the Group for the year ending 31 December 2012, it is estimated that the Disposal would not have a material impact on the Group's financial position/performance.

LISTING RULES IMPLICATION

The Disposal constitutes a discloseable transaction of the Company under Rule 14.06(2) of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meaning:

“Company”	Courage Marine Group Limited, a company incorporated in Bermuda with limited liability and the issued shares of which are listed on the main board of the Stock Exchange and on Singapore Exchange Securities Trading Limited
“Completion”	completion of the sale and purchase of MV Valour in accordance with the MOA
“Consideration”	a total cash consideration of US\$5,071,130.40 (equivalent to approximately HK\$39,554,817.12) payable by Regal Pacific to Sea Valour
“Directors”	the directors of the Company
“Disposal”	the disposal by Sea Valour of MV Valour subject to and upon the terms and conditions of the MOA
“dwt”	an acronym for deadweight tonnage, a measure expressed in metric tons or long tons of a ship's carrying capacity, including bunker oil, fresh water, crew and provisions

“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MOA”	a memorandum of agreement dated 5 April 2012 entered into between Regal Pacific as buyer and Sea Valour as seller
“MV Valour”	M/V Valour, a Panamax vessel with carrying capacity of approximately 67,000 dwt and beneficially owned by Sea Valour
“Panamax”	dry bulk vessels with size ranging from approximately 60,000 to 99,999 dwt
“Regal Pacific”	Regal Pacific Industries Limited, a company incorporated in the British Virgin Islands with limited liability and the buyer under the MOA
“Sea Valour”	Sea Valour Marine Corp., a company incorporated in Panama with limited liability, an indirect wholly-owned subsidiary of the Company and the vendor under the MOA
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent

By order of the Board
Courage Marine Group Limited
Hsu Chih-Chien
Chairman

Hong Kong, 5 April 2012

For the purpose of this announcement, unless otherwise specified, conversion of United States dollars into Hong Kong dollars are based on the approximate exchange rates of US\$1.00 to HK\$7.80. The exchange rate is for illustration purpose only and do not constitute a representation that any amounts have been, could have been or may be exchanged at this or any other rates at all.

As at the date of this announcement, the managing Director is Mr. Wu Chao-Huan, the Chairman and non-executive Director is Mr. Hsu Chih-Chien, the non-executive Directors are Mr. Sun Hsien-Long and Mr. Chang Shun-Chi, the independent non-executive Directors are Mr. Lui Chun Kin, Gary, Mr. Sin Boon Ann and Mr. Chu Wen Yuan.